

Aviation Parts Supply 12 Month Projection INCOME STATEMENT	253 2007 Actual	Month 1 Proj	Month 2 Proj	Month 3 Proj	Month 4 Proj	Month 5 Proj	Month 6 Proj	Month 7 Proj	Month 8 Proj	Month 9 Proj	Month 10 Proj	Month 11 Proj	Month 12 Proj	Year 1 Proj
Net Sales	\$ 31,140,082	\$ 948,750	\$ 993,000	\$ 1,044,625	\$ 1,022,500	\$ 1,059,375	\$ 1,125,750	\$ 1,258,500	\$ 1,288,000	\$ 1,376,500	\$ 1,494,500	\$ 1,509,250	\$ 1,509,250	\$ 14,630,004
Cost of Goods Sold:														
Inventory Cost of Sales	23,392,001	584,906	611,901	643,396	629,898	652,395	692,888	773,875	791,872	845,863	917,852	926,850	926,850	8,998,546
Gross Margin	7,748,081	363,845	381,099	401,229	392,602	406,981	432,862	484,625	496,128	530,637	576,649	582,400	582,400	5,631,458
Gross Margin %	24.88%	38.35%	38.38%	38.41%	38.40%	38.42%	38.45%	38.51%	38.52%	38.55%	38.58%	38.59%	38.59%	38.49%
Scrap Inventory	248,831	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
QA Inspection	68,306	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Inventory Adjustments	65,916	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Other Cost of Sales	146,895	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Total Cost of Goods Sold	23,921,949	595,072	622,068	653,563	640,065	662,561	703,055	784,042	802,039	856,030	928,018	937,017	937,017	9,120,546
Gross Profit	7,218,133	353,678	370,932	391,063	382,435	396,814	422,696	474,459	485,962	520,470	566,482	572,233	572,233	5,509,458
Gross Profit %	23.18%	37.28%	37.35%	37.44%	37.40%	37.46%	37.55%	37.70%	37.73%	37.81%	37.90%	37.92%	37.92%	37.66%
Operating Expenses:														
Personnel	3,461,713	127,342	117,569	122,063	121,698	116,846	126,550	125,930	114,600	123,381	122,826	117,689	122,463	1,458,958
Supplies & Services	3,113,857	68,321	69,342	70,534	70,023	70,875	72,407	75,472	76,153	79,196	80,920	81,261	81,261	895,766
Fixed	591,573	20,583	20,583	20,583	20,583	20,583	20,583	20,583	20,583	20,583	20,583	20,583	20,583	247,000
Warranty & Contingency	4,260,934	76,460	76,682	76,940	76,829	77,014	77,345	78,009	78,157	78,599	79,189	79,263	79,263	933,750
Total	11,428,078	292,707	284,177	290,120	289,134	285,317	296,886	299,995	289,493	301,760	303,519	298,796	303,570	3,535,474
EBITDA	(4,209,945)	60,971	86,756	100,942	93,301	111,497	125,810	174,464	196,469	218,710	262,963	273,437	268,663	1,973,984
EBITDA %	-13.52%	6.43%	8.74%	9.66%	9.12%	10.52%	11.18%	13.86%	15.25%	15.89%	17.60%	18.12%	17.80%	13.49%
Insurance-Product Liability Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance - Product Liability SIR Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	(4,209,945)	60,971	86,756	100,942	93,301	111,497	125,810	174,464	196,469	218,710	262,963	273,437	268,663	1,973,984
EBITDA %	-13.52%	6.43%	8.74%	9.66%	9.12%	10.52%	11.18%	13.86%	15.25%	15.89%	17.60%	18.12%	17.80%	13.49%
Amortization	314,381	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	523,170	21,667	21,667	24,167	24,167	24,167	25,583	25,583	25,583	25,583	25,583	25,583	25,583	266,417
Other (Income)/Expense	(20,480)	-	-	-	-	-	-	-	-	-	-	-	-	-
3PL transition costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Interest	588,056	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	33,333	400,000
Non-cash RSTW interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expenses	1,405,126	55,000	55,000	57,500	57,500	57,500	58,917	58,917	58,917	58,917	58,917	58,917	58,917	666,417
EARNINGS BEFORE TAXES	(5,615,071)	5,971	31,756	43,442	35,801	53,997	66,893	115,548	137,552	159,794	204,046	214,521	209,747	1,307,567
Income Taxes	20,000	2,389	12,702	17,377	14,321	21,599	26,757	46,219	55,021	63,917	81,619	85,808	83,899	523,027
Net Income	(5,635,071)	3,583	19,054	26,065	21,481	32,398	40,136	69,329	82,531	95,876	122,428	128,712	125,848	784,540



Aviation Parts Supply 12 Month Projection Balance Sheet	2007 Actual	Month 1 Proj	Month 2 Proj	Month 3 Proj	Month 4 Proj	Month 5 Proj	Month 6 Proj	Month 7 Proj	Month 8 Proj	Month 9 Proj	Month 10 Proj	Month 11 Proj	Month 12 Proj	Year 1 Proj
Current Assets:														
Cash	\$ 500	\$500	\$55,667	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Accounts Receivable, Net	-	1,843,501	1,456,313	1,528,219	1,550,344	1,561,407	1,638,844	1,788,188	1,909,876	1,998,376	2,153,251	2,252,813	2,263,876	2,263,876
Other Receivables	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Inventory, Net	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Prepaid Expenses	-	200,351	123,390	46,429	178,923	101,961	25,000	243,209	166,248	89,286	221,780	144,819	67,858	67,858
Deferred Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	5,000,500	7,054,352	6,645,370	6,585,148	6,739,767	6,673,868	6,674,344	7,041,897	7,086,623	7,098,162	7,385,531	7,408,132	7,342,233	7,342,233
Fixed Assets	1,000,000	1,190,000	1,200,000	1,350,000	1,360,000	1,370,000	1,455,000	1,465,000	1,475,000	1,485,000	1,495,000	1,505,000	1,515,000	1,515,000
Accumulated Depreciation	-	(146,667)	(168,333)	(192,500)	(216,667)	(240,833)	(266,417)	(292,000)	(317,583)	(343,167)	(368,750)	(394,333)	(419,917)	(419,917)
Total Fixed Assets	1,000,000	1,043,333	1,031,667	1,157,500	1,143,333	1,129,167	1,188,583	1,173,000	1,157,417	1,141,833	1,126,250	1,110,667	1,095,083	1,095,083
NC Deferred Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets: (Net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Financing Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Engine Manuals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PMA'S	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 6,000,500	\$ 8,097,685	\$ 7,677,037	\$ 7,742,648	\$ 7,883,100	\$ 7,803,035	\$ 7,862,928	\$ 8,214,897	\$ 8,244,040	\$ 8,239,995	\$ 8,511,781	\$ 8,518,799	\$ 8,437,316	\$ 8,437,316
Current Liabilities:														
Accounts Payable	-	\$ 786,111	\$ 818,798	\$ 856,933	\$ 840,589	\$ 867,828	\$ 916,858	\$ 1,014,919	\$ 1,036,710	\$ 1,103,250	\$ 1,189,248	\$ 1,200,143	\$ 1,200,143	\$ 1,200,143
Accrued Expenses	-	145,917	161,333	176,750	192,167	207,583	223,000	238,417	253,833	269,250	284,667	300,083	315,500	315,500
Product Liability SIR Accrual	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Warranty	-	11,818	13,072	14,390	15,681	17,018	18,438	20,023	21,646	23,379	25,259	27,158	29,058	29,058
Income Taxes Payable	-	2,389	15,091	32,468	46,788	68,387	95,144	141,363	196,384	260,301	341,920	427,728	511,627	511,627
Subordinated Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Interest	-	33,333	66,667	-	33,333	66,667	-	-	-	-	-	-	-	-
Total Current Liabilities	-	979,568	1,074,961	1,080,541	1,128,559	1,227,483	1,253,440	1,414,722	1,508,573	1,656,180	1,841,094	1,955,113	2,056,328	2,056,328
Long Term Debt:														
Working Capital Revolver	-	2,114,534	1,579,439	1,613,406	1,684,359	1,472,971	1,466,771	1,588,130	1,440,891	1,193,363	1,157,807	922,093	613,548	613,548
Additional Debt Required	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated Debt	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total LTD	5,000,000	7,114,534	6,579,439	6,613,406	6,684,359	6,472,971	6,466,771	6,588,130	6,440,891	6,193,363	6,157,807	5,922,093	5,613,548	5,613,548
Stockholder's Equity:														
Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings - Prior Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings - Current Year	-	3,583	22,636	48,702	70,182	102,580	142,716	212,045	294,576	390,452	512,880	641,592	767,440	767,440
Total Stockholder's Equity	-	3,583	22,636	48,702	70,182	102,580	142,716	212,045	294,576	390,452	512,880	641,592	767,440	767,440
Total Liabilities & Equity	5,000,001	\$8,097,685	\$7,677,037	\$7,742,648	\$7,883,100	\$7,803,035	\$7,862,928	\$8,214,897	\$8,244,040	\$8,239,995	\$8,511,781	\$8,518,799	\$8,437,316	\$8,437,316

Aviation Parts Supply 12 Month Projection Cash Flow Statement	2007 Actual	Month 1 Proj	Month 2 Proj	Month 3 Proj	Month 4 Proj	Month 5 Proj	Month 6 Proj	Month 7 Proj	Month 8 Proj	Month 9 Proj	Month 10 Proj	Month 11 Proj	Month 12 Proj	Year 1 Proj
Cash Flow From Operations:														
Net Income	\$ (5,635,071)	\$ 3,583	\$ 19,054	\$ 26,065	\$ 21,481	\$ 32,398	\$ 40,136	\$ 69,329	\$ 82,531	\$ 95,876	\$ 122,428	\$ 128,712	\$ 125,848	\$ 767,440
Amortization	314,381	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	523,170	21,667	21,667	24,167	24,167	24,167	25,583	25,583	25,583	25,583	25,583	25,583	25,583	294,917
Deferred Tax Provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Cash Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in Operating Assets & Liab.:														
Accounts Receivable, Net	-	420,375	387,188	(71,906)	(22,125)	(11,063)	(77,438)	(149,344)	(121,688)	(88,500)	(154,875)	(99,563)	(11,063)	-
Other Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventories, Net	(173,907)	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	3,093	(132,494)	76,961	76,961	(132,494)	76,961	76,961	(218,209)	76,961	76,961	(132,494)	76,961	76,961	-
Accounts Payable	4,743,791	(414,032)	32,687	38,135	(16,343)	27,239	49,030	98,060	21,791	66,540	85,998	10,896	-	-
Accrued Warranty	804,218	1,198	1,254	1,318	1,291	1,337	1,420	1,586	1,623	1,733	1,881	1,899	1,899	18,438
Deferred Tax Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income Taxes Payable	20,000	(379,042)	12,702	17,377	14,321	21,599	26,757	46,219	55,021	63,917	81,619	85,808	83,899	130,196
Product Liability SIR Accrual	520,886	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Expenses	68,217	48,750	48,750	(51,250)	48,750	48,750	(51,250)	15,417	15,417	15,417	15,417	15,417	15,417	185,000
Net Cash from Operations	1,188,778	(429,995)	600,262	60,867	(60,953)	221,388	91,200	(111,359)	157,239	257,528	45,556	245,714	318,545	1,395,991
Investing Activities:														
Purchase of Fixed Assets	(578,286)	(50,000)	(10,000)	(150,000)	(10,000)	(10,000)	(85,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(375,000)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Engine Manuals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash for Investing Activities	(578,286)	(50,000)	(10,000)	(150,000)	(10,000)	(10,000)	(85,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(375,000)
Free Cash Flow	610,492	(479,995)	590,262	(89,133)	(70,953)	211,388	6,200	(121,359)	147,239	247,528	35,556	235,714	308,545	1,020,991
Financing Activities:														
Proceeds (Payment) on Revolver	-	1,121,819	(535,095)	33,966	70,953	(211,388)	(6,200)	121,359	(147,239)	(247,528)	(35,556)	(235,714)	(308,545)	(379,167)
Proceeds (Payment) on ADR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds (Payment) on RSTW Sub Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Issuance Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of Common Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash for Financing Activities	-	1,121,819	(535,095)	33,966	70,953	(211,388)	(6,200)	121,359	(147,239)	(247,528)	(35,556)	(235,714)	(308,545)	(379,167)
Net Change in Cash	610,492	641,824	55,167	(55,167)	-	-	(0)	(0)	0	(0)	(0)	0	0	641,824